

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: INTERSTATE POWER AND LIGHT COMPANY	DOCKET NO. RN-02-6
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ORDER APPROVING REVISED CUSTOMER NOTICE

(Issued July 12, 2002)

On June 27, 2002, Interstate Power and Light Company (IPL) filed with the Utilities Board (Board) a request for approval of a proposed rate notification pursuant to 199 IAC 7.4(1)"d"(1), which requires that all nonstandard notices be approved by the Board. Because IPL has four electric pricing zones, IPL said it concluded that standard rate notification forms might not apply. IPL plans to file its class cost-of-service study, rate design, and rate rebalancing application on or before July 31, 2002. IPL currently has pending an application for an electric rate increase, identified as Docket No. RPU-02-3.

The Consumer Advocate Division of the Department of Justice (Consumer Advocate) filed a response on July 3, 2002. Consumer Advocate had some suggested changes to the proposed notice because it believed IPL's notice did not clearly convey the potential impact on each customer class in each rate zone of fully equalizing rates in all rate zones, fully implementing the results of IPL's class cost-of-service study, and implementing the \$82 million rate increase IPL has requested in

Docket No. RPU-02-3. Consumer Advocate also said the notice should reflect rate levels at the time of the original application in Docket No. RPU-02-3, and not temporary rates approved in that docket.

IPL filed a response on July 9, 2002. IPL adopted many of Consumer Advocate's suggested changes verbatim and filed a revised notice that IPL said addressed all of Consumer Advocate's concerns and provided clear notice to customers that IPL's rate rebalancing proposal may not equalize all rate zones and rate classes at the same time.

The Board will approve the notice as revised on July 9, 2002. Consumer Advocate's comments resulted in changes that better communicate the impact of the proposed filing and clarify that IPL's rate rebalancing proposal may not equalize all rate zones and rate classes at the same time. In the notice, IPL is to use the rates in effect on April 15, 2002, rather than temporary rates approved by the Board in Docket No. RPU-02-3. IPL is also reminded that 199 IAC 7.4(1)"f"(2) requires the notice to be conspicuously marked with the words "Notice of Proposed Rate Increase." If the notice is a separate mailing, the rule requires that the outside of the mailing be similarly marked.

IT IS THEREFORE ORDERED:

The proposed revised rate case notice form filed by Interstate Power and Light Company on July 9, 2002, is approved.

UTILITIES BOARD

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 12th day of July, 2002.